



CONSENT CALENDAR

DRAFT MINUTES

**SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY
MEETING OF THE BOARD OF DIRECTORS
November 18, 2010 – 2:00 p.m.
San Carlos Library, Conference Room A
610 Elm Street, San Carlos, California**

1. **Roll Call:** CTO 2:06 p.m.

2. **Public Comment**

Persons wishing to address the Board on matters NOT on the posted agenda may do so.

Each speaker is limited to two minutes. If there are more than five individuals wishing to speak during public comment, the Chairman will draw five speaker cards from those submitted to speak during this time. The balance of the Public Comment speakers will be called upon at the end of the Board Meeting.

If the item you are speaking on is not listed on the agenda, please be advised that the Board may briefly respond to statements made or questions posed as allowed under The Brown Act (Government Code Section 54954.2). The Board's general policy is to refer items to staff for attention, or have a matter placed on a future Board agenda for a more comprehensive action or report and formal public discussion and input at that time.

3. **Approval of Consent Calendar:**

Consent Calendar item(s) are considered to be routine and will be enacted by one motion. There will be no separate discussion on these items unless members of the Board, staff or public request specific items are removed for separate action. *Items removed from the Consent Calendar will be moved to the end of the agenda for separate discussion.*

- A. Adopt the October 28, 2010 BOD Meeting Minutes
- B. Approval of Quarterly Investment Report as of 9/30/10
- C. Approval of 2011 Board Meeting Calendar
- D. Receipt of Allied Monthly Metrics

M/S LaMariana/DeBry approve Consent Calendar.

Motion passes 9-0-0-3 (Absent: Burlingame, San Mateo, West Bay Sanitary District)

4. **New Business:**

- A. Resolution Approving Shoreway Facility Tipping Fee Adjustments Effective 1/1/11

Discussion

Member Costa Sanders asked staff to clarify the difference in Allied's Balancing Account numbers between \$4.67 per ton and \$4.19 per ton.

Executive Director McCarthy explained that the \$4.67 represents the total of all the 2009 numbers and one quarter of the 2010 numbers. The \$2.73 is achieved by taking the \$4.67 and subtracting what we estimate we will be paying in 2012 to pay off the remaining balancing account. The difference between the \$4.67 and \$2.73 is the 2012 number.

Member Fil asked staff to confirm that the \$4.67 is a one time cost that is approximately 5% of the balancing account.

Executive Director McCarthy clarified that the one time cost is \$4.19, not \$4.67, and clarified that it is actually less than 5%.

Member Fil asked how much money is actually raised in increasing the tipping fees?

Executive Director McCarthy replied that \$1.7 million will be raised specifically from the increase in franchise solid waste rates.

Member Fil asked what the logic is for paying off one quarter of the 2010 numbers in 2011.

Executive Director McCarthy explained that the Board will be acting on the final Allied Rate Application in September 2011. We will know the final Balancing Account number in late spring or summer; these numbers will be brought to the Board in September and the clock will start ticking one year from that point. At that time if you pay 3 months it will be one quarter.

The remaining quarters will be paid off in 2012. We will bring back a projected schedule in January 2012 with a couple of scenarios. We had to make an assumption for our projections and the assumption was that one quarter would be paid for in 2011.

Member Costa Sanders asked staff if they looked at only raising the public solid waste rate and not the franchise solid waste rate, and if so, how much would it generate?

Executive Director Kevin McCarthy replied that staff only looked at the \$9.00 increase on solid waste rates. If we raised the rates of residential organics and commercial organics to \$79 per ton we would still be under our costs. Staff did not feel there was any more room to raise these rates based on what other facilities are charging. We have already seen a substantial drop in our public revenue. Not increasing the franchise solid waste rates would put us in negative cash flow which puts us in a precarious situation.

McCarthy continued saying that we have reserves to use but doing so puts us in a compromised position in terms of the review of our debt. We need to be concerned about our credit rating. If we do not have an increase this would get us close to a negative cash flow position and we would have to live off of reserve balances. We don't have to do that and staff would recommend against it. But ultimately it is up to the Board.

Member DeBry stated that she did not feel there was a need to raise franchise garbage rates because we are covering our costs; she does not think that we should raise our customer rates. In addition she does not think that customer rates should subsidize C&D rates. DeBry understands that staff does not want to lose the tons but if we are losing money with each ton, why are we doing this?

Executive Director McCarthy explained that if we raise our C&D rates by another \$3 to \$93 it really won't affect the overall rates, but it would cover the C&D costs. Staff was concerned with taking rates from \$83 to \$90.

Member DeBry stated that on the organics side of the rates we should be charging agencies what it costs. She does not think that some agencies should subsidize other agencies organics. The cost of the organics should be reflected in the rates. DeBry asked why we should subsidize public tons and a loss even if it is nominal. From an agency that will have the highest increase DeBry can not justify adding another 2-3% increase.

Member Scott agreed with Member DeBry and added that if we are not legally bond to increase our rates than the priority at this time is to consider the economy. Scott said that a 2-3% increase is not necessary and would be a tough sell for his district.

Scott continued by asking staff why we were considering setting tipping fees at this time of the year when we just considered rates in July?

Executive Director McCarthy replied that we usually set tipping fees in January. We considered fees this past July because of the increase in county fees that we did not anticipate. Historically fees are set in January and not at mid year unless there was a tipping fee adjustment.

Member Moura stated that we are getting close on the break even tests in the bond metrics; however our debt coverage is going from 2.7 to 1.5 and that concerns him. This decrease may concern rating agencies. Moura asked if Executive Director McCarthy and Financial Manager Moran have a feel for what this does for us short term?

Executive Director McCarthy informed the Board that during the rating process we always tried to stay above 2.25 rating. We have to look at relative changes and if we are significantly going in the wrong direction that could cause concern even if we have money to cover it.

Member Fil asked if we set the rates to cover costs would we be discouraging good behavior? Are there reasons to include the subsidies? Are there other factors to consider besides money?

Executive Director McCarthy replied that the recommendations are based on projections for the bond performance. In 2009 when the projections were made we did not have knowledge of the 2011 SBR and Recology Rate Applications. All we had at that time were Allied Waste numbers. Now we are looking at the actual costs and the right policy is to set rates by cost.

McCarthy continued saying that setting rates depends on what the Board's goal is. If the goal is to reduce the rate impact then some of these numbers need to be lowered.

Member Fil stated that if we had a long term plan to phase in rates over a few years it would make sense to keep the rates lower. Fil asked staff if there is any reason not to increase the C&D rates to \$93 a ton, as an example?

Executive Director McCarthy replied that there is no reason not to do it as it only adds a small amount to our overall numbers. The question is more philosophical about how to set rates.

Member Hardy stated that there are two competing interests: the fiduciary responsibility we have to the bond and proformas for setting rates; and the impact on rate payers.

Member Hardy asked staff what alternatives the Board has if we find that at mid year we are not making our ratios because we did not raise rates? We have a covenant that we would pass rates sufficient to meet ratios and fund them. Would we have to do a mid year adjustment? How would this work?

Executive Director McCarthy replied that staff would come back to the Board at mid year and give an estimate of where we are and where we need to be financially. We would look at the cash in the bank and determine how much we need to transfer to cover the deficit. This would be in effect the same process we went through last year with the county fees.

Member DeBry stated that she did not feel there is enough data to make a good decision and proposed making the decision in January when staff could provide more solid recommendations and more choices. DeBry stated that Hillsborough does not have commercial organics and she did not feel it was fair for her agency to subsidize others that do. She did not feel it was fair for agencies who are mainly residential to subsidize the commercial activities of other agencies.

M/S DeBry/Costa Sanders to table approving the Resolution Approving Shoreway Facility Tipping Fee Adjustments Effective 1/1/11 until the January Board Meeting when there will be more information on the rate impact.

Motion fails 4-6-0-2 (Burlingame, San Mateo)

Agency	Yes	No	Abstain	Absent	Agency	Yes	No	Abstain	Absent
Atherton	X				Menlo Park		X		
Belmont		X			Redwood City		X		
Burlingame				X	San Carlos		X		
East Palo Alto	X				San Mateo				X
Foster City		X			County of San Mateo		X		
Hillsborough	X				West Bay Sanitary District	X			

Vice Chair Moura asked if there were other motions.

New motion. M/S Hardy/LaMariana to accept the Resolution Approving Shoreway Facility Tipping Fee Adjustments Effective 1/1/11 with staff recommendations to change the C&D rate from \$90 to \$93.

Motion does not pass. 5-5-0-2 (Burlingame, San Mateo)

Agency	Yes	No	Abstain	Absent	Agency	Yes	No	Abstain	Absent
Atherton		X			Menlo Park		X		
Belmont	X				Redwood City	X			
Burlingame				X	San Carlos	X			
East Palo Alto		X			San Mateo				X
Foster City	X				County of San Mateo	X			
Hillsborough		X			West Bay Sanitary District		X		

Vice Chair Moura asked if there were other motions.

Member DeBry made a new motion to table the item to January and direct staff to adjust rates to reflect cost. There was no second.

Member Scott made a new motion to increase solid waste rates by \$4.50 instead of \$9.00 bringing the rate to \$88.50; and to leave the other rates at \$79. There was no second.

Discussion

Member Fil stated that he is in favor of making adjustments to the rates. He asked Executive Director McCarthy for a recommendation on setting rates that will get us to our target numbers while not changing customer behavior.

Executive Director McCarthy asked what is an acceptable rate impact for each agency?

Member DeBry replied that the rates need to reflect the actual costs and that our agency should be charging the costs for rates.

Vice Chair Moura asked for an informal vote around the table to see if the Board was close to an agreement.

Member Fil stated that he supports staff recommendation to increase the tipping fees.

Member LaMariana echoed Member Fil with one comment that we do not want to negatively alter the behavior of customers. If the solid waste rate is above the rates of the recycling options he is not in favor as he feels it will have a negative impact on customer behavior.

Member Hardy stated that he felt the same as the two prior speakers.

Alternate Davis stated that he was sitting in for Member Gordon and that he could not make a decision at this time as he felt there was not enough information or time to do so.

Executive Director McCarthy responded by saying that the numbers presented today have been available since the spring of 2010; they were shared at the July 2010 Board Meeting and included in the estimates at the September and October 2010 Board Meetings. At these meetings the Board did not have policy discussions as to covering or subsidizing costs.

Member Gibbons stated that his agency already sent out their Prop 218 notice and that he could not support numbers that were above those in the notice.

Member DeBry reiterated her position; she would not support the rate increases.

Member Costa Sanders stated that based on the jurisdiction she represents she could not support the rate increases.

Alternate Fotu stated that she supports staff recommendations to increase the rates.

Member Scott stated that his preference is to keep rates as low as possible; 1.8% increase is his preference. If the Board decides to raise the rates then his second preference is for a cost recovery program.

Vice Chair Moura stated that it did not appear there were 7 votes for any scenario.

Member Fil asked staff how much additional revenue there would be if the organics rates were increased to full cost coverage.

Executive Director McCarthy replied \$772,000 would be generated from residential organics; \$434,000 for commercial organics for a total of \$1.1 million.

Member Fil asked what the rate increase would be if we increased the solid waste revenue to \$600,000.

Executive Director McCarthy replied that it would be a \$4.00 rate increase.

Member DeBry requested a 5 minute break while staff calculated numbers.

The Board meeting broke for 5 minutes.

Executive Director McCarthy informed the Board that revenues would increase by \$65,000 if we increased the tipping fees to \$89 across the board; this would be a 3% rate impact agency wide. McCarthy continued saying that he could not tell at this time if individual agency rates would be higher.

Member Gibbons asked if this increase would affect Redwood City's Prop 218 notice.

Executive Director McCarthy replied that the actual increase is 3.02% which may not be material to the notice.

Alternate Fotu asked staff if an increase in residential composting would impact the revenue if we kept the rates at \$79.

Executive Director McCarthy replied that there will be an impact to the rates depending on each agency's customer base; the numbers currently in the schedule are not relative to impact.

New motion. M/S Hardy/LaMariana to accept the Resolution Approving Shoreway Facility Tipping Fee Adjustments Effective 1/1/11 with staff recommendations to change the solid waste rate from \$93 to \$90 and to leave the other rates at \$79.

Motion passes 7-2-1-2 (Burlingame, San Mateo)

Agency	Yes	No	Abstain	Absent	Agency	Yes	No	Abstain	Absent
Atherton		X			Menlo Park	X			
Belmont	X				Redwood City	X			
Burlingame				X	San Carlos	X			
East Palo Alto			X		San Mateo				X
Foster City	X				County of San Mateo	X			
Hillsborough		X			West Bay Sanitary District	X			

Executive Director McCarthy asked the Board if the direction they want to take is to see costs covered by the rates.

Vice Chair Moura replied that it sounds like there is interest to explore this option. He suggested that we discuss a long term strategy of where we want to take the four different rates in the next couple of years.

- B. Resolution Approving BFI of California's Compost Overs Plan at the Newby Island Compost Facility for Processing of Organics Materials from the SBWMA

M/S DeBry/Hardy accepting the Resolution Approving BFI of California's Compost Overs Plan at the Newby Island Compost Facility for Processing of Organics Materials from the SBWMA.

Voice Vote: All in Favor

Motion passes 10-0-0-2 (Burlingame, San Mateo)

- C. Resolution Approving SBWMA Consent to Assignment of the Agreement Between SBWMA and Curbside Inc. for Household Hazardous Waste (HHW), Universal Waste (U-Waste), Electronic Scrap (E-Scrap), Sharps and Medicine Door-to-Door Collection Service to WM Curbside LLC.

Discussion

Member Fil asked staff if Waste Management is going to provide any other services that we currently do not have with Curbside, Inc.; is there any potential for expansion?

Recycling Programs Manager Feldman replied that expansion may be possible; for now we are signing the contract "as is"; there are no changes.

Bill Anderson, President of Curbside Inc informed the Board that Waste Management hired the entire Curbside Inc staff. Waste Management has been buying companies similar to Curbside; companies with significant growth and potential. Waste Management is letting the businesses run themselves. In the future Waste Management intends to offer additional services and increase the hazardous waste items that are accepted.

M/S Fil/DeBry approving Resolution Approving SBWMA Consent to Assignment of the Agreement Between SBWMA and Curbside Inc for Household Hazardous Waste (HHW), Universal Waste (U-Waste), Electronic Scrap (E-Scrap), Sharps and Medicine Door-to-Door Collection Service to WM Curbside LLC.

Voice Vote: All in Favor

10-0-0-2 (Burlingame, San Mateo)

Member Hardy asked to address Agenda Item 4A: Hardy requested staff to redo the rate charts with the actual numbers so we can see the final ratios and what the increase will be for each agency.

Executive Director McCarthy replied that the charts and reports will be sent to the Board by Monday, if not sooner.

5. Old Business

- A. Presentation by Recology San Mateo County on Implementation Milestones for Rollout of New Collection Services Effective 1/1/11
- B. Presentation by South Bay Recycling on Implementation Milestones for Start-Up of Shoreway Facility Operations Effective 1/1/11

6. Staff Updates

- a) Update on Allied Contract Compliance
- b) Shoreway Construction Update
- c) Bond Proforma Update
- d) Update on Rollout of New Collection Services
- e) Update on Recology Commercial Recycling Outreach Efforts
- f) Recycling and Outreach Programs Update
- g) Preview of Upcoming Board meetings

6. Board Member Comments

None.

7. Adjourn 4:44 p.m.



STAFF REPORT

To: SBWMA Board Members
From: Marshall Moran, Finance Manager
Date: January 27, 2011 Board of Director's Meeting
Subject: Resolution Accepting the Fiscal Year 2009-2010 Annual Financial Statements

Recommendation

Staff recommends the Board approve the attached Resolution **No. 2011-01**, accepting the South Bayside Waste Management Authority's audited Annual Financial Statements for the fiscal year ending June 30, 2010 as prepared by the SBWMA's audit firm, Maze & Associates.

Analysis

The financial statements of the South Bayside Waste Management Authority for fiscal year ending June 30, 2010, have been prepared by the City of San Carlos Administrative Services Department and examined by the independent auditing firm of Maze & Associates and SBWMA staff. It is the **unqualified opinion** of the firm that the financial statements present fairly the financial position of the Agency as of June 30, 2010, and that the financial statements were prepared in conformity with generally accepted accounting principles.

The purpose of the financial statements is to present a summary of the financial position of the Authority. The final step in the formal process of preparing these financial statements is to transmit them to the Board for its acceptance. The financial statements have previously been sent to the Board members on December 7, 2010 and are also shown in Exhibit A.

Overview Of The Financial Statements

The annual report consists of two parts – *management's discussion and analysis* (MD&A) and the *basic financial statements*. The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data.

The financial statements include two important schedules that present financial data for the SBWMA as a whole: The Statement of Net Assets and the Statement of Revenues, Expenses, and Changes in Net Assets. These two statements report the SBWMA's assets, liabilities, revenue, and expenses and changes in net assets. These statements are prepared using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

Financial Condition Highlights

Net assets of the SBWMA's activities decreased \$2.5 million to \$21.4 million. Unrestricted net assets – the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – changed from \$14.3 million at June 30, 2009 to \$6.2 million at the June 30, 2010. The Net Asset decrease of \$2.5 million is due to Operating Expenses higher than Revenue and is in line with our budgeted Net Loss of \$2.4 million. Tip fees were not increased to cover our expenses due to one-time activities during construction of the Master Plan such as additional off-site processing costs and the use

of bond proceeds to provide temporary working capital. In addition, commodity revenues continued to be weak compared to the pre-financial crisis period hitting in mid-2008.

Fund Accounting

At the end of the fiscal year, the total unrestricted reserve fund balance was \$6.2 million while the total Net Assets balance was \$21.4 million.

General Operating Results

The operating results for FY2010 and FY2009 were as follows:

	<u>FY2010</u>	<u>FY2009</u>
Operating Revenues	\$36,289,700	\$34,746,500
Operating Expense	<u>37,859,700</u>	<u>36,331,100</u>
Operating Loss	-1,570,000	-1,584,600
Non-Operating Loss	<u>-946,000</u>	<u>-667,700</u>
Net Asset Change	(\$2,516,000)	(\$2,252,300)

Operating revenues were \$1.5 million above last year or 4% due to higher tip fees offset by \$1 million lower commodity revenue.

Long-Term Debt

At the end of the current fiscal year, the SBWMA had bonded debt outstanding of \$56,694,700 after the sale of the 2009 revenue bonds for Master Plan improvements and the defeasance of the 2000 bonds.

**Outstanding Debt
Activities**

	<u>2010</u>	<u>2009</u>
Revenue Bonds	\$56,694,700	\$13,440,000

Additional information on the SBWMA's long-term debt can be found in the notes (5) to the accompanying financial statements.

Fiscal Impact

There is no financial impact associated with the adoption of this Resolution.

Attachments:

Resolution 2011-01 Accepting the Agency's FY 2009-2010 Financial Statements

Exhibit A Fiscal Year 2009-2010 Annual Financial Statements



RESOLUTION NO. 2011-01

RESOLUTION OF THE SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY BOARD OF DIRECTORS ACCEPTING THE FISCAL YEAR 2009-2010 ANNUAL FINANCIAL STATEMENTS

WHEREAS, the South Bayside Waste Management Authority contracted with the audit firm of Maze & Associates to conduct an audit of the Agency's financial records in accordance with Governmental Accounting Standards Board (GASB) Statement 34; and

WHEREAS, the financial statements for the fiscal year ending June 30, 2010 as prepared by said firm have been completed and are attached as Exhibit A; and

WHEREAS, it is recommended that the Board accept the financial statements.

NOW, THEREFORE BE IT RESOLVED that the South Bayside Waste Management Authority hereby adopts the Annual Financial Report as prepared by Maze & Associates for the fiscal year ending June 30, 2010.

NOW, THEREFORE, BE IT RESOLVED by the SBWMA Board of Directors hereby accepts the Fiscal Year 2009-2010 Annual Financial Statements.

PASSED AND ADOPTED by the Board of Directors of the South Bayside Waste Management Authority, County of San Mateo, State of California on the this 27^h day of January, 2011, by the following vote:

Agency	Yes	No	Abstain	Absent	Agency	Yes	No	Abstain	Absent
Atherton					Menlo Park				
Belmont					Redwood City				
Burlingame					San Carlos				
East Palo Alto					San Mateo				
Foster City					County of San Mateo				
Hillsborough					West Bay Sanitary Dist				

I HEREBY CERTIFY that the foregoing Resolution No. 2011-01 was duly and regularly adopted at a regular meeting of the South Bayside Waste Management Authority on January 27, 2011.

ATTEST:

Jim Porter, Chairperson of SBWMA

Jeannene Minnix Kingston, Board Secretary

**SOUTH BAYSIDE WASTE
MANAGEMENT AUTHORITY
BASIC FINANCIAL STATEMENTS**

FISCAL YEAR ENDED JUNE 30, 2010

**SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY
BASIC FINANCIAL STATEMENTS**

Fiscal Year Ended June 30, 2010

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INDEPENDENT AUDITOR'S OPINION

To the Board of Directors of the
South Bayside Waste Management Authority,
San Carlos, California

We have audited the accompanying financial statements of the South Bayside Waste Management Authority for the year ended June 30, 2010 as listed in the table of contents. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining on a test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly in all material respects the financial position of South Bayside Waste Management Authority as of June 30, 2010 and the results of its operations and cash flows for the year then ended, in conformity with generally accepted accounting principles in the United States.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information required by the Government Accounting Standards Board. We have applied certain limited procedures, which consisted, principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

October 1, 2010

INSERT MD&A HERE

SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY
STATEMENT OF NET ASSETS
JUNE 30, 2010

ASSETS

Current Assets:	
Cash and investments for operations (Note 2)	\$9,190,558
Accounts receivable	1,589,948
Interest receivable	111,343
Prepaid items	<u>44,926</u>
 Total Current Assets	 <u>10,936,775</u>
Noncurrent Assets:	
Cash and investments with fiscal agent (Note 2)	30,856,257
Unamortized bond issuance costs	577,769
Capital assets (Note 4):	
Land	14,000,000
Construction in progress	25,583,940
Building	4,141,075
Equipment	1,717,393
Less Accumulated Depreciation	<u>(4,442,597)</u>
 Net capital assets	 <u>40,999,811</u>
 Total Noncurrent Assets	 <u>72,433,837</u>
 Total Assets	 <u>83,370,612</u>

LIABILITIES

Current Liabilities:	
Accounts payable	122,502
Accrued liabilities	2,585,946
Interest payable	1,059,288
Current portion of compensated absences	<u>36,095</u>
 Total Current Liabilities	 <u>3,803,831</u>
Noncurrent Liabilities:	
Compensated absences due in more than one year	15,469
Accrued liabilities (Note 8)	1,495,500
Long-term debt due in more than one year (Note 5)	<u>56,694,747</u>
 Total Noncurrent Liabilities	 <u>58,205,716</u>
 Total Liabilities	 <u>62,009,547</u>

NET ASSETS

Invested in capital assets, net of related debt	15,161,321
Unrestricted, designated for (Note 8):	
Operating	4,090,915
Rate stabilization	0
Equipment replacement	0
Unrestricted, undesignated	<u>2,108,829</u>
 Total Net Assets	 <u>\$21,361,065</u>

See accompanying notes to the financial statements

SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2010

OPERATING REVENUES:	
Charges for services	\$27,479,291
Commodity revenue	8,691,557
Other	<u>118,803</u>
Total Operating Revenues	<u>36,289,651</u>
OPERATING EXPENSES:	
Shoreway operations	33,499,718
SBWMA program administration	2,945,232
Franchise fee - transfer station	1,248,318
Depreciation (Note 4)	<u>166,411</u>
Total Operating Expenses	<u>37,859,679</u>
Operating (loss)	<u>(1,570,028)</u>
NONOPERATING REVENUES (EXPENSES):	
Investment income	15,668
Interest expense	(457,829)
Amortization expense	(107,768)
Loss on retirement of capital assets	<u>(396,214)</u>
Net Nonoperating Revenue (Expense)	<u>(946,143)</u>
Change in Net Assets	(2,516,171)
NET ASSETS AT BEGINNING OF YEAR	<u>23,877,236</u>
NET ASSETS AT END OF YEAR	<u><u>\$21,361,065</u></u>

See accompanying notes to the financial statements

SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2010

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash receipts from customers	\$36,361,983
Payments to suppliers	<u>(35,755,725)</u>
Net Cash Flows (used for) Operating Activities	<u>606,258</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Increase in cash and investments with fiscal agent	(28,595,622)
Interest received	<u>770,400</u>
Net Cash Flows from Investing Activities	<u>(27,825,222)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital assets additions	(20,829,407)
Retirement of long-term debt	(13,440,000)
Proceeds from issuance of long-term debts	56,694,747
Payment for issuance cost	(599,960)
Interest paid	<u>(457,829)</u>
Net Cash Flows (Used for) Capital and Related Financing Activities	<u>21,367,551</u>
Net Cash Flows	(5,851,413)
Cash and investments for operations - beginning of year	<u>15,041,971</u>
Cash and investments - end of year	<u><u>\$9,190,558</u></u>
Reconciliation of operating income to net cash flows from operating activities:	
Operating income (loss)	(\$1,570,028)
Adjustments to reconcile operating income to cash flows from operating activities:	
Depreciation	166,411
Net change in:	
Accounts receivable	72,332
Prepays	(44,926)
Accounts payable	(2,085,947)
Accrued liabilities	4,065,634
Compensated absences	<u>2,782</u>
Net Cash Flows from Operating Activities	<u><u>\$606,258</u></u>

See accompanying notes to the financial statements

SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY
Notes to Basic Financial Statements
June 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. *Organization*

The South Bayside Waste Management Authority (the Authority) is a joint powers agreement formed on October 13, 1999 for the purpose of joint ownership, financing and administration of the Facilities, currently the San Carlos Transfer Station and the San Mateo Recyclery; and the planning, administration management, review, monitoring, enforcement and reporting of solid waste, recyclable material and plant material collection activities within Authority's service area.

Members of the Authority currently include the cities of Atherton, Belmont, Burlingame, East Palo Alto, Foster City, Hillsborough, Menlo Park, Redwood City, San Carlos, San Mateo, as well as the West Bay Sanitation District and the County of San Mateo.

The Authority is controlled by a twelve member board consisting of one representative from each member. None of the member entities exercise specific control over the budgeting and financing of the Authority's activities beyond their representation on the board. Accounting services are provided by the City of San Carlos.

Through the operation of franchise agreements with each member, Allied Waste Management (Formerly BFI) of North America, Inc. collects fees charged for the use of the Facilities and remits them to the Authority. Pursuant to an Operations Agreement with the Authority, Allied Waste Management will operate the Facilities and be paid compensation based on costs, a provision for profit and incentives for cost savings and performance.

B. *Enterprise Fund Accounting*

The Authority is a proprietary entity; it uses an enterprise fund format to report its activities for financial statement purposes. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs and expenses, including depreciation, of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

An enterprise fund is used to account for activities similar to those in the private sector, where the proper matching of revenues and costs is important and the full accrual basis of accounting is required. With this measurement focus, all assets and all liabilities of the enterprise are recorded on its balance sheet, all revenues are recognized when earned and all expenses, including depreciation, are recognized when incurred. Enterprise fund equity includes retained earnings and contributed capital.

The Authority follows those Financial Accounting Standard Board Statements issued before November 30, 1989 which do not conflict with Governmental Accounting Standards Board Statements.

C. *Capital Assets*

Capital assets are stated at cost. Expenditures which materially increase the value or life of capital assets plant assets are capitalized and depreciated over the remaining useful life of the asset.

SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY
Notes to Basic Financial Statements
June 30, 2010

NOTE 2 - CASH AND INVESTMENTS

The Authority pools cash from all sources except Cash and Investments held by Trustees so that it can be invested at the maximum yield consistent with safety and liquidity, while individual funds can make expenditures at any time.

A. Policies

California Law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the Authority's cash on deposit, or first trust deed mortgage notes with a market value of 150% of the deposit, as collateral for these deposits. Under California Law this collateral is held in a separate investment pool by another institution in the Authority's name and places the Authority ahead of general creditors of the institution.

The Authority invests in individual investments and in investment pools. Individual investments are evidenced by specific identifiable *securities instruments*, or by an electronic entry registering the owner in the records of the institution issuing the security, called the *book entry* system. In order to increase security, the Authority employs the Trust Department of a bank as the custodian of certain Authority managed investments, regardless of their form.

The Authority's investments are carried at fair value, as required by generally accepted accounting principles. The Authority adjusts the carrying value of its investments to reflect their fair value at each fiscal year end, and it includes the effects of these adjustments in income for that fiscal year.

B. Classification

Cash and investments are classified in the financial statements as shown below, based on whether or not their use is restricted under the terms of Authority debt instruments or agreements.

Statements of Net Assets

Cash and investments	\$9,190,558
Cash and investments with fiscal agent	30,856,257
Total Cash and Investments	\$40,046,815

Cash and Investments for Operations is used in preparing proprietary fund statements of cash flows because these assets are highly liquid and are expended to liquidate liabilities arising during the year.

SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY
Notes to Basic Financial Statements
June 30, 2010

NOTE 2 - CASH AND INVESTMENTS (Continued)

C. Investments Authorized by the California Government Code and the Authority's Investment Policy

The Authority's Investment Policy and the California Government Code allow the Authority to invest in the following, provided the credit ratings of the issuers are acceptable to the Authority; and approved percentages and maturities are not exceeded. The table below also identifies certain provisions of the California Government Code, or the Authority's Investment Policy where the Authority's Investment Policy where is more restrictive.

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum in Portfolio	Maximum Investment In One Issuer
State of California Local Agency Investment Fund (LAIF Pool)	Upon Demand	N/A	\$40,000,000 per account	N/A
San Mateo County Investment Pool	Upon Demand	N/A	\$40,000,000 per account	N/A
U. S. Treasury Bonds, Notes and Bills	5 Years	N/A	100%	N/A
U.S. Government Agency and U.S. Government-Sponsored Enterprise Obligations	5 Years	N/A	100%	N/A
Bankers Acceptances	180 Days	N/A	30%	(A), (B)
Commercial Paper	270 Days	AA	25%	(A), (B)
Negotiable Certificates of Deposit	5 Years	N/A	30%	(A), (B)
Time Certificates of Deposit – Banks or Savings and Loans	5 Years	N/A	25%	(A), (B)
Medium Term Corporate Notes	5 Years	AA	30%	(A), (B)

(A) 5% of outstanding paper of issuing corporation

(B) 5% of the portfolio in one corporation

SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY
Notes to Basic Financial Statements
June 30, 2010

NOTE 2 - CASH AND INVESTMENTS (Continued)

D. Investments Authorized by Debt Agreements

The Authority must maintain required amounts of cash and investments with trustees or fiscal agents under the terms of certain debt issues. These funds are unexpended bond proceeds or are pledged reserves to be used if the Authority fails to meet its obligations under these debt issues. The California Government Code requires these funds to be invested in accordance with Authority resolutions, bond indentures or State statutes. The table below identifies the investment types that are authorized for investments held by fiscal agents. The table also identifies certain provisions of these debt agreements:

<u>Authorized Investment Type</u>	<u>Minimum Credit Quality</u>
Direct obligations of the Department of the Treasury of the United States of America	None
Fully guaranteed obligations of federal agencies	None
Direct obligations of FNMA, FHLMC, REFCORP, Federal Home Loan, AMBAC Assurance	AAA
U.S. dollar denominated deposit accounts	A-1+
Commercial paper	AA
Money market fund	AAA
Pre-refunded municipal obligations	None
General obligations of States	A2/A
State of California Local Agency Investment Fund	None
San Mateo County Investment Pool	None

SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY
Notes to Basic Financial Statements
June 30, 2010

NOTE 2 - CASH AND INVESTMENTS (Continued)

E. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Normally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Authority generally manages its interest rate risk by holding investments to maturity.

Information about the sensitivity of the fair values of the Authority's investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table that shows the distribution of the Authority's investments by maturity or earliest call date:

Investment Type	12 Months or less	12 to 25 Months	Total
San Mateo County Investment Pool	2,056,003		2,056,003
U.S. Government-Sponsored Enterprise Agencies			
Non-callable	3,022,554	\$4,049,379	7,071,933
California Local Agency Investment Fund	29,173,848		29,173,848
Money Market	730,281		730,281
Total Investments	<u>\$34,982,686</u>	<u>\$4,049,379</u>	39,032,065
Total Cash in Bank and cash on hand			<u>1,014,750</u>
Total Cash and Investments			<u>\$40,046,815</u>

Local Agency Investment Fund

The Authority is a participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The Authority reports its investment in LAIF at the fair value amount provided by LAIF, which is the same as the value of the pool share. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, United States Treasury Notes and Bills, and corporations. At June 30, 2010, these investments matured in an average of 203 days.

SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY
Notes to Basic Financial Statements
June 30, 2010

NOTE 2 - CASH AND INVESTMENTS (Continued)

San Mateo County Investment Fund

The Authority is a voluntary participant in the San Mateo County Investment Fund (SMCIF) that is regulated by California Government Code Section 53600 under the oversight of the treasurer of the County of San Mateo. The Authority reports its investment in SMCIF at the fair value amount provided by SMCIF. The balance available for withdrawal is based on the accounting records maintained by SMCIF, which are recorded on an amortized cost basis. Included in SMCIF's investment portfolio are U.S. Treasury Notes, obligations issued by agencies of the U.S. Government, LAIF, corporate notes, commercial paper, collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, and floating rate securities issued by federal agencies, government-sponsored enterprises, and corporations. The Authority reports its investments in SMCIF at the fair value amounts provided by SMCIF, which is the same as the value of the pool share. At June 30, 2010, these investments matured in an average of 1.0 years.

F. Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the actual rating as of June 30, 2010 for each investment type as provided by Moody's ratings:

<u>Investment Type</u>	<u>AAA</u>	<u>Total</u>
U.S. Government-Sponsored Enterprise Agencies		
Non-callable	\$7,071,933	\$7,071,933
Money Market (U.S. Securities)	730,281	730,281
Totals	<u>\$7,802,214</u>	<u>7,802,214</u>
<i>Not rated:</i>		
California Local Agency Investment Fund		29,173,848
San Mateo County Investment Pool		<u>2,056,003</u>
Total Investments		<u>39,032,065</u>
Total Cash in bank and cash on hand		<u>1,014,750</u>
Total Cash and Investments		<u><u>\$40,046,815</u></u>

SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY
Notes to Basic Financial Statements
June 30, 2010

NOTE 2 - CASH AND INVESTMENTS (Continued)

G. Concentration of Credit Risk

The Authority's investment policy contains certain limitations on the amount that can be invested in any one issuer. In certain categories, these limitations surpass those required by California Government Code Sections 53600 et seq. Investments in any one issuer, other than U.S. Treasury securities, mutual funds, and external investment pools, that represent 5% or more of total Entity-wide investments are as follows at June 30, 2010:

Issuer	Investment Type	Reported Amount
Federal Home Loan Mortgage Corporation	Federal agency securities	\$4,049,379

NOTE 3 - CAPITAL ASSETS AND FACILITIES OPERATIONS

Pursuant to a sales agreement with Allied Waste Management, the Authority purchased land, and buildings and personal property amounting to \$14 million and \$5.228 million, respectively. These facilities comprise the San Carlos Transfer Station and San Mateo Recyclery. The Authority signed an agreement to lease back the facilities to Allied Waste Management which operates them. This agreement expired on December 31, 2006 and the Authority has extended the agreement until December 31, 2010. During the year ended June 30, 2010, the Authority paid \$29,165,796 to Allied Waste Management to operate the facilities.

NOTE 4 - CAPITAL ASSETS

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair market value on the date contributed.

All capital assets with limited useful lives are depreciated over their estimated useful lives. The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of capital assets.

Depreciation is provided using the straight line method which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The Authority has assigned the useful lives listed below to capital assets:

Building	10-40 years
Equipment	5-20 years

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY
Notes to Basic Financial Statements
June 30, 2010

NOTE 4 - CAPITAL ASSETS (Continued)

Changes in capital assets were as follows for fiscal 2009-2010:

	Balance June 30, 2009	Additions	Retirements	Balance June 30, 2010
Business-type activities				
Capital assets not depreciated:				
Land	\$14,000,000			\$14,000,000
Construction In Progress	4,700,113	\$20,883,827		25,583,940
Total non-depreciable assets	<u>18,700,113</u>	<u>20,883,827</u>		<u>39,583,940</u>
Capital assets being depreciated:				
Buildings	5,119,108	147,000	(\$1,125,033)	4,141,075
Equipment	4,380,881		(2,663,488)	1,717,393
Total depreciable assets	<u>9,499,989</u>	<u>147,000</u>	<u>(3,788,521)</u>	<u>5,858,468</u>
Less accumulated depreciation:				
Buildings	(3,728,302)	(113,520)	651,541	(3,190,281)
Equipment	(3,738,771)	(52,891)	2,539,346	(1,252,316)
Total accumulated depreciation	<u>(7,467,073)</u>	<u>(166,411)</u>	<u>3,190,887</u>	<u>(4,442,597)</u>
Net depreciable assets	<u>2,032,916</u>	<u>(19,411)</u>	<u>(597,634)</u>	<u>1,415,871</u>
Capital assets, net	<u>\$20,733,029</u>	<u>\$20,864,416</u>	<u>(\$597,634)</u>	<u>\$40,999,811</u>

SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY
Notes to Basic Financial Statements
June 30, 2010

NOTE 5 – REVENUE BONDS

The Authority's debt issues and transactions are summarized below and discussed in detail thereafter.

	<u>Balance June 30, 2009</u>	<u>Retirements</u>	<u>Additions</u>	<u>Balance June 30, 2010</u>
2000 Solid Waste System Revenue Bonds	\$13,440,000	(\$13,440,000)		
2009A Solid Waste System Revenue Bonds			\$53,500,000	\$53,500,000
Plus deferred premium			194,747	194,747
2009B Solid Waste System Revenue Bonds			<u>3,000,000</u>	<u>3,000,000</u>
	<u>\$13,440,000</u>	<u>(\$13,440,000)</u>	<u>\$56,694,747</u>	<u>\$56,694,747</u>

A. Solid Waste System Revenue Bonds – Series 2000

On March 1, 2000, the Authority issued \$20,090,000 in Solid Waste System Revenue Bonds, Series 2000 in order to finance the acquisition of the above capital assets. On September 2, 2009, the Authority defeased \$13,440,000 of the outstanding Series 2000 Solid Waste System Revenue Bonds. Cash deposits were placed in an irrevocable trust which provided the retirement of the revenue bonds on October 2, 2009.

B. Solid Waste Enterprise Revenue Bonds - Series 2009A

On September 2, 2009, the Authority issued \$53,500,000 of *Solid Waste Enterprise Revenue Bonds Series 2009A*. The 2009A Bonds were issued to pay for the construction and renovation of a solid waste materials recovery facility and transfer station and related equipment, to fund a Reserve Fund, to fund capitalized interest, and to fund certain working capital and pay other costs, including issuance costs.

The series 2009A bonds are solely payable from and secured by the net revenues and debt service reserve fund held by the Authority's trustee, as defined under the bond indenture. Net Revenues means, for any period, all of the revenues during such period less all of the maintenance and operation costs during such period. Revenues mean all gross income and revenue received or receivable by the Authority.

Principal payments are payable annually on September 1, commencing September 1, 2012. The bond bear interest at 3.5%-6.0% which is payable semi-annually on September 1 and March 1, commencing March 1, 2010.

The bond is secured by a pledge of the Authority's Net Revenue as defined under the bond indenture. The pledge of future net revenue ends upon repayment of the 2009A bonds in the amount \$53.5 million in remaining debt service on the bonds which is scheduled to occur in 2036.

For fiscal year 2010, gross revenues including operating revenues and non-operating interest earnings amounted to \$36,305,319 and; operating and maintenance costs, including operating expenses, transfers out for overhead and administrative cost but not interest, depreciation or amortization and amounted to \$37,693,268. As a result, the Net Revenue (Loss) for fiscal 2010 amounted to a loss of \$1,387,949.

SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY
Notes to Basic Financial Statements
June 30, 2010

NOTE 5 – REVENUE BONDS (Continued)

C. Solid Waste Enterprise Revenue Bonds - Series 2009B

On September 2, 2009, the Authority also issued \$3,000,000 of taxable Solid Waste Enterprise Revenue Bonds Series 2009B.

The series 2009B bonds are solely payable from and secured by the subordinate net revenues, as defined under the bond indenture. Subordinate net revenues means, for any period, net revenues during such period remaining after payment of all amounts required to be paid pursuant to the senior lien obligations or a senior lien indenture during such period, in an amount that is equal to debt service on the bonds and any subordinate parity obligations.

Principal repayment in entirety in the amount of \$3,000,000 is due September 14, 2014. The bond bear interest at 3.5%-6.0% which is payable semi-annually on September 1 and March 1, commencing March 1, 2010.

The bond is secured by a pledge of the Authority's Net Revenue as defined under the bond indenture. The pledge of future net revenue ends upon repayment of the 2009B bonds in the amount of \$3 million which is scheduled to occur in 2014.

D. Debt Service Requirements

Annual debt service requirements on the bonds are shown below with specified repayment terms:

For the Year Ending June 30	Business-type Activity	
	Principal	Interest
2011		\$3,177,862
2012		3,177,862
2013	\$1,095,000	3,150,487
2014	1,150,000	3,094,362
2015	4,205,000	2,960,487
2016-2020	6,860,000	13,604,480
2021-2025	8,710,000	12,545,113
2026-2030	11,470,000	10,128,938
2031-2035	15,450,000	6,903,000
2036-2040	7,560,000	2,070,900
Total	<u>\$56,500,000</u>	<u>\$60,813,491</u>

SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY
Notes to Basic Financial Statements
June 30, 2010

NOTE 6 – INSURANCE

The Authority purchases commercial insurance policies to protect itself from claims arising from the following types of losses:

Type of Coverage	Coverage Limits
General Aggregate Limit	\$2,000,000
Products-Completed Operations Aggregate Limit	2,000,000
Personal and Advertising Injury Limit	1,000,000
Each Occurrence	1,000,000
Damage to Rented Premises Limit	300,000
Medical Expense Limit (Any one person)	25,000
Hired & Non-Owned Auto Limit	1,000,000
Pollution Legal Liability – Each Loss Limit	1,000,000

Self-Insured Retention (SIR)	Coverage Limits
Environmental Impairment Liability	\$10,000 SIR Per Incident

NOTE 7 – NET ASSETS DESIGNATIONS

Designations are imposed by the Authority to reflect future spending plans or concerns about the availability of future resources. Designations may be modified, amended, or removed by Authority Board action.

NOTE 8 – POLLUTION REMEDIATION

Since 2000, the Authority is the current property owner of 333 Shoreway Road in San Carlos, which has ground water contamination. However, the County regulator has identified site operator and former property owner, Allied Waste (Allied), as the responsible party.

There has been an ongoing project to treat ground water contamination for at least six years that Allied as the responsible party had been paying for. The contamination predates the ownership of the property by the Authority in 2000. Several sites have been treated except for one site under the building which remains contaminated and awaits treatment pending approval of the treatment method by the County. The project for this treatment and subsequent site monitoring remains outstanding as of June 30, 2010. This project to treat the contaminated site is in the preliminary stage. Final cost is unknown but estimated to not exceed \$1,500,000 over the next ten years, ending in fiscal 2020.

In fiscal 2010, the Authority and the on-site contractor, Republic Services (formerly Allied Waste and BFI) signed a settlement and release agreement. As part of the agreement, Republic Services paid the Authority \$1,500,000 as the estimated cost of remediation project. Remediation cost estimate was negotiated with Allied per methods approved by County regulators based on input from environmental engineers on remaining cost of work. There was no known additional cost as of June 30, 2010. As of June 30, 2010, the Authority had recorded \$1.5 million of accrued liabilities.

SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY
Notes to Basic Financial Statements
June 30, 2010

NOTE 9 – SUBSEQUENT EVENT

The current collection and operations contracts with Allied Waste/Republic will expire as scheduled on December 31, 2010. The new contractors are on schedule to assume the new contracts for collection and operation of the Shoreway facility January 1, 2011. The Master Plan construction project is proceeding with a slight anticipated delay of about two months to completion in about April 2011. The project capital cost in total remains on budget including the contingency amount.



Allied Waste Update

Agenda Item 3C
18 Pages

Executive Summary, Reports, Liquidated Damages

Attached

Allied Waste Update



EXECUTIVE SUMMARY

Overtime Hours per Day (Transfer Station/MRF)

Overtime hours per day were 41 in December for the TS and MRF (T20). This is in line considering the ongoing construction activities and the weekend floor repair.

Overtime Hours per Day (Collection Operations)

Overtime hours per day for the collection operation (925) in December was 50 hours per day. This is in line with normal operations.

Average Weekly Delayed Pickups

The average weekly number of delayed pickups for the month of December was 478. The drop in performance is associated with the loss of driver focus through the end of the contract.

Missed Pickups

Missed pickups for the month of December was 25, which is greater than normal and can be associated with loss of driver focus through the end of the contract.

Customer Service Average Hold Time

Average hold time for the month of October increased to 171 seconds. The increase is associated with service transition questions.



Calls Answered in 30 Seconds

Calls Answered in 30 Seconds for the month of December decreased to 47%. This number is below the industry standard of 80%. The decrease is associated with service transition questions.

Calls Answered in 90 Seconds

The percentage of Calls Answered in 90 Seconds decreased to 70% in the month of December. The decrease is associated with service transition questions.

Abandoned Call Percentage

Our abandon rate for the month of October increased to 7.3%. As with most of the call center metrics reported, our performance in this area is dictated by our performance in other key call center metrics (i.e., average hold time, calls answered in 30 seconds, and calls answered in 90 seconds). The high rate is associated with service transition questions.

Total Calls by Month

Total Calls by Month for December was 23,253. This high call volume is the result of service transition questions.

Self-Haul Ratio

December 2010 yards per ton ratio was 4.45. There was a significant amount of tons on the floor of the transfer station at the end of the year, which is inflating the ratio this month.



C&D Recycling Performance

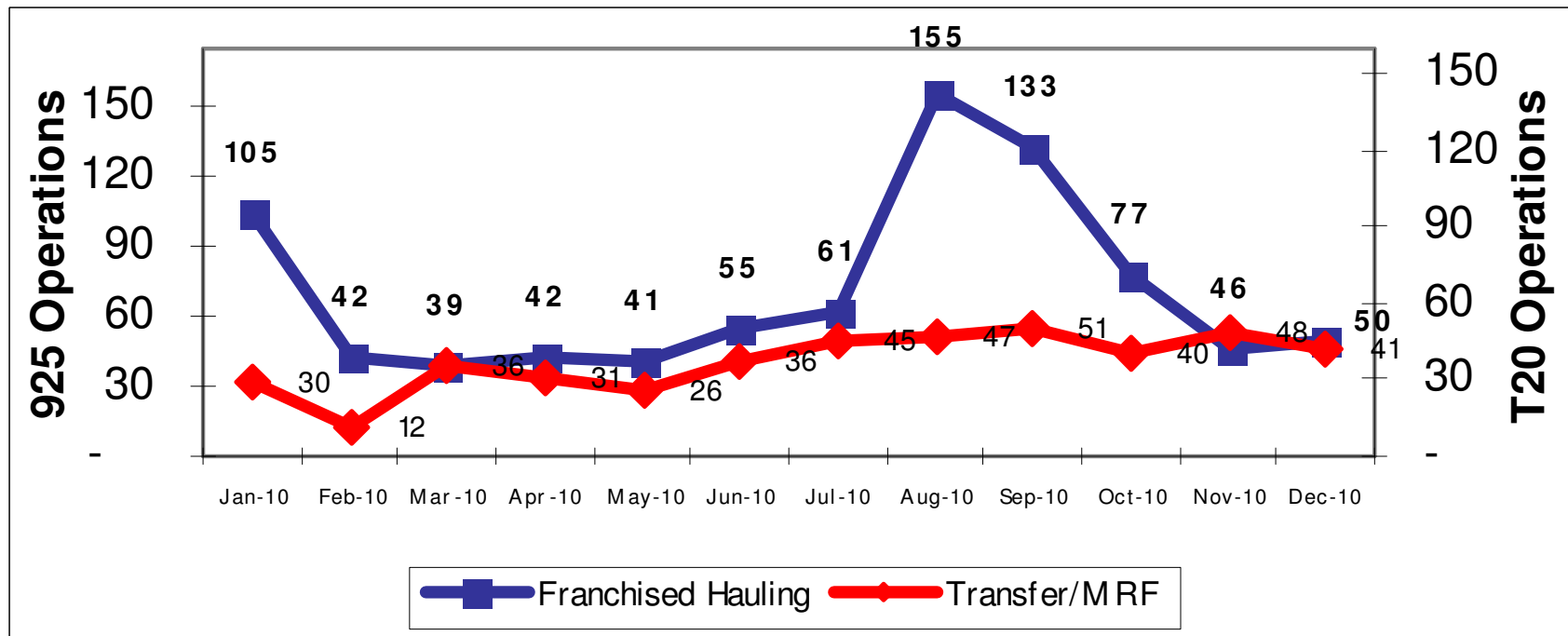
December 2010 netted 2,099 tons of C&D materials. 2010 was the best year for C&D tonnage. The transfer station shipped out 34,690 tons.

South Bayside Transfer Station C & D Tons to Zanker Road						
	2005	2006	2007	2008	2009	2010
Jan	1,246.98	639.26	1585.44	1,693.36	1,607.03	1,987.49
Feb	1,618.18	1,369.73	1337.82	1,530.43	1,424.63	2,376.66
Mar	2,182.49	1,461.86	1605.41	1,574.55	1,723.11	3,234.62
Apr	1,100.82	1,361.47	1749.16	2,461.99	2,058.04	2,630.60
May	1,102.71	2,208.81	2226.75	2,354.57	1,828.76	3,171.43
Jun	317.86	2,292.17	2048.91	2,674.06	2,093.77	3,131.58
Jul	353.46	1,943.33	1974.51	2,528.04	2,601.29	3,178.05
Aug	889.65	2,095.46	2059.83	2,508.20	2,793.49	3,642.46
Sep	1,271.40	1,740.60	1879.53	2,483.64	2,810.07	3,262.04
Oct	1,058.87	1,883.58	2126.58	2,576.17	3,075.84	3,198.19
Nov	657.42	1,453.40	1954.91	1,829.21	2,778.91	2,777.77
Dec	465.68	1,174.56	1588.37	1,650.82	2,297.58	2,099.04
	12,265.52	19,624.23	22,137.22	25,865.05	27,092.52	34,689.93

2010 HEADCOUNT BY MONTH FOR ALLIED WASTE OF SAN MATEO COUNTY

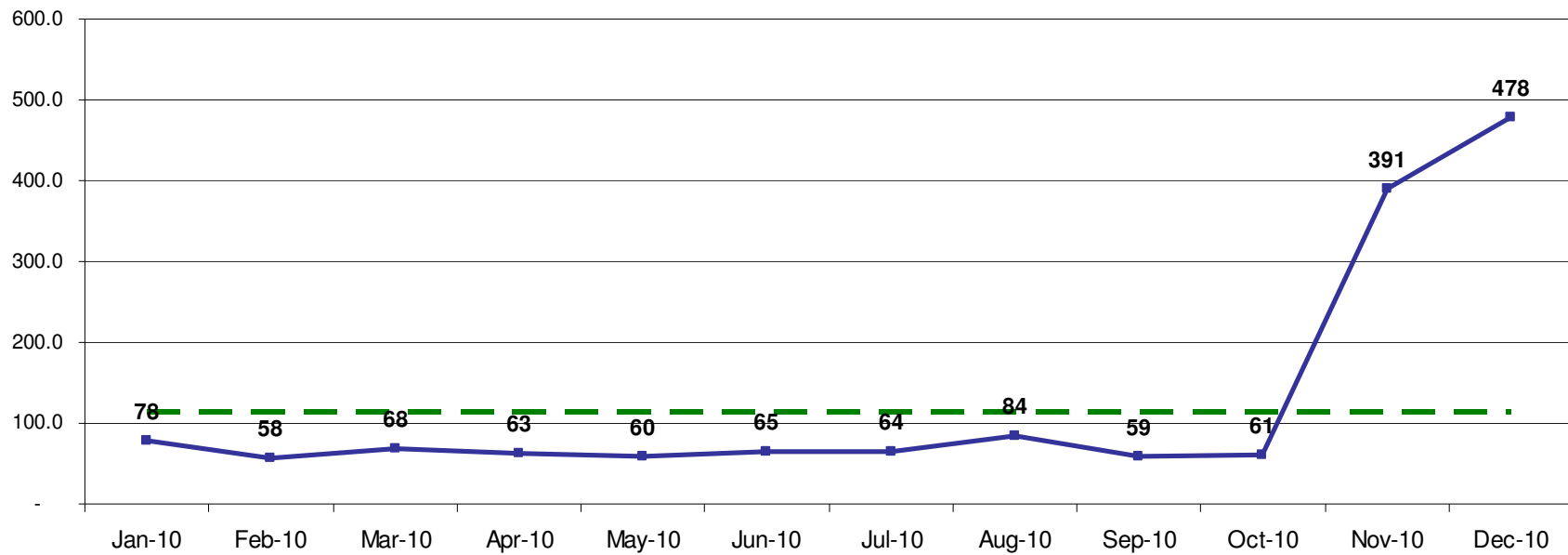
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
UNION												
Collection Drivers	221	220	219	219	218	217	217	216	214	214	214	214
Transfer Drivers	21	21	21	21	21	21	21	21	20	20	20	20
Sorters/Spotters	17	17	17	16	17	17	17	17	17	17	17	17
Scale Attendants	4	4	4	4	4	4	4	4	4	4	4	4
Buy Back Attendants	2	2	2	2	2	2	2	2	2	2	2	2
Equipment Operators	7	7	7	7	7	7	7	7	7	6	6	6
Mechanics	30	30	29	29	29	29	29	29	29	29	29	29
Customer Service Reps	13	13	13	13	13	13	11	11	14	14	14	14
Accounting (i.e., Billing, A/R, A/P, etc)	9	9	9	9	9	9	9	9	9	9	9	8
Clerks (Dispatch, Operations, Maint.)	9	9	9	9	9	9	9	9	9	9	8	8
NON-UNION												
G&A (Admin, Supervisors, Managers)	26	26	26	26	25	25	25	22	22	21	20	18
Recycling Coordinators	5	5	5	5	5	5	1	1	1	1	1	1
TOTAL	364	363	361	360	359	358	352	348	348	346	344	341

Collection Driver and Transfer/MRF Operations Overtime Hours Per Day



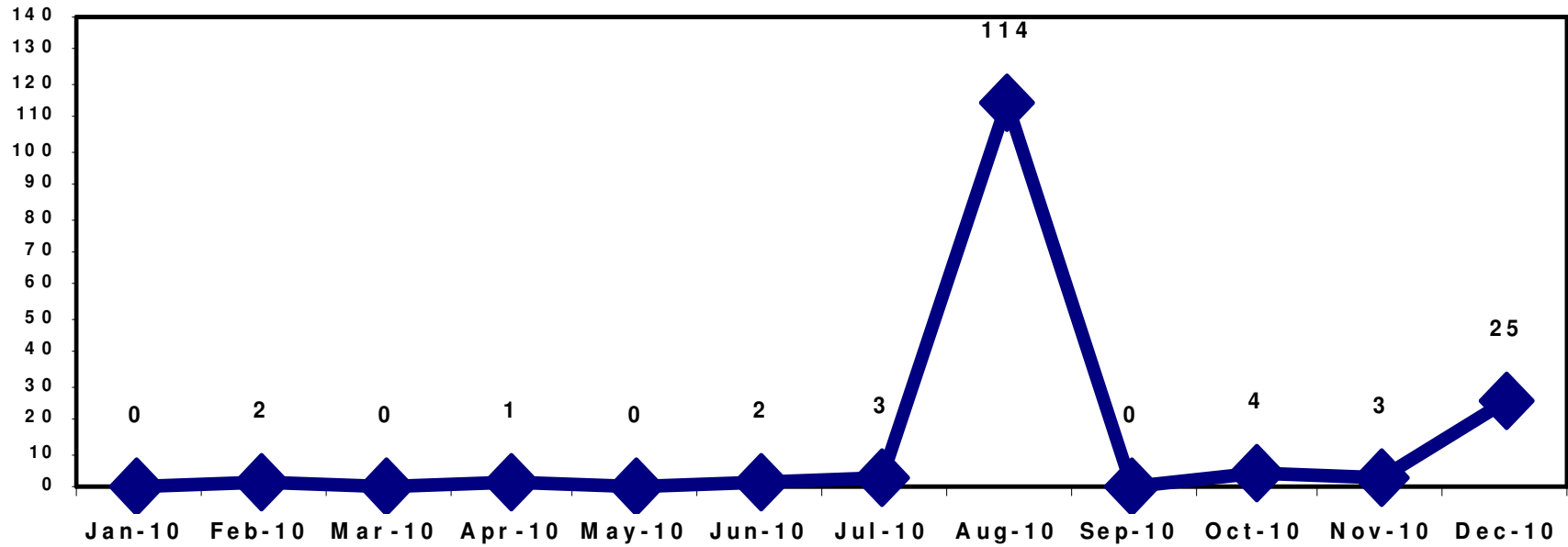
Average Weekly Delayed Pickups

Service Standard is 114 Total



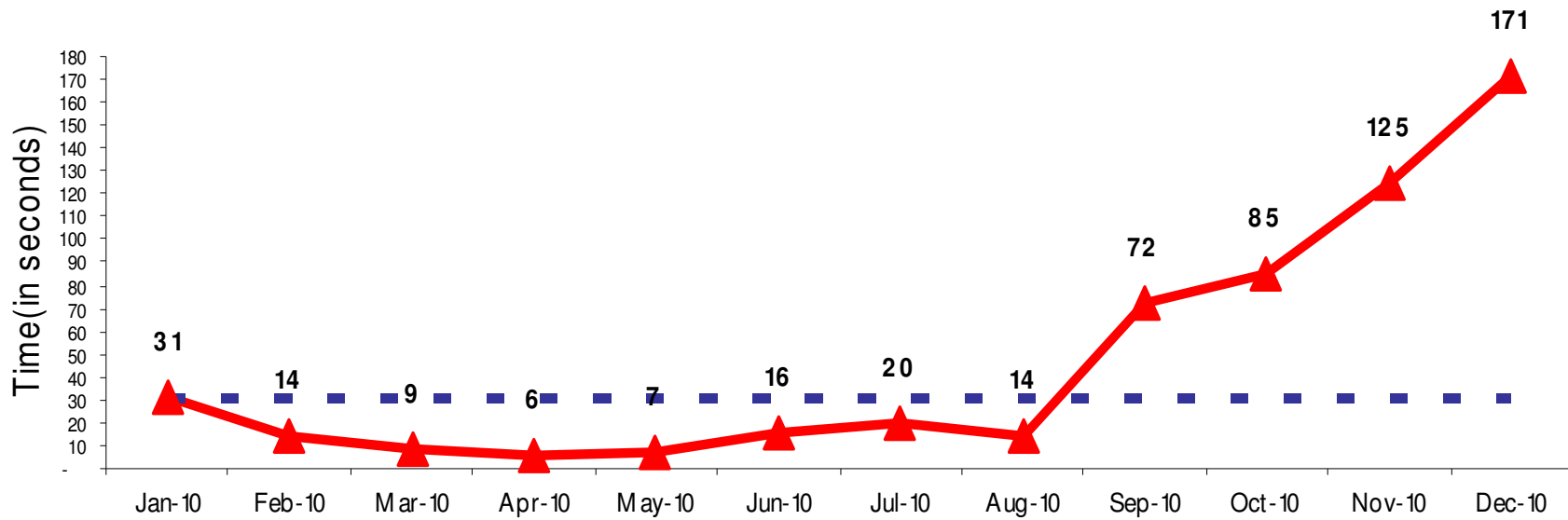
Note: Service Standard is 1 missed pick up per 1000 residential customers and 2 missed pick ups per 1000 commercial customers.

Monthly Missed Pick Ups



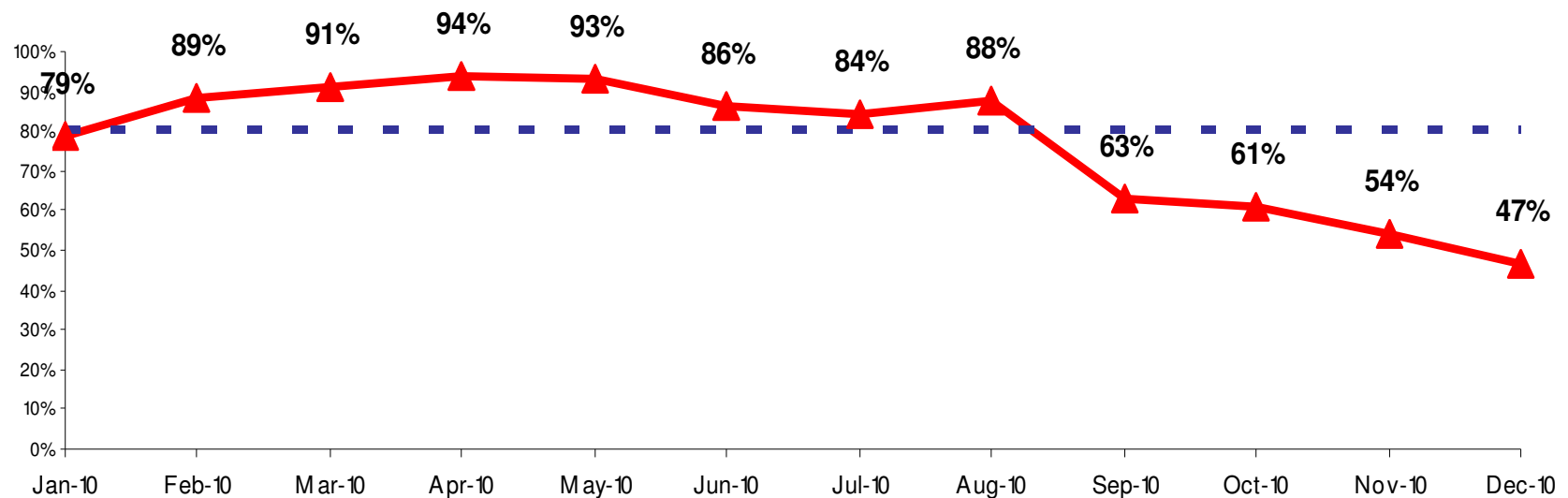
Customer Service Average Hold Time

30 Second Service Standard



Customer Service Percentage of Calls Answered in 30 Seconds

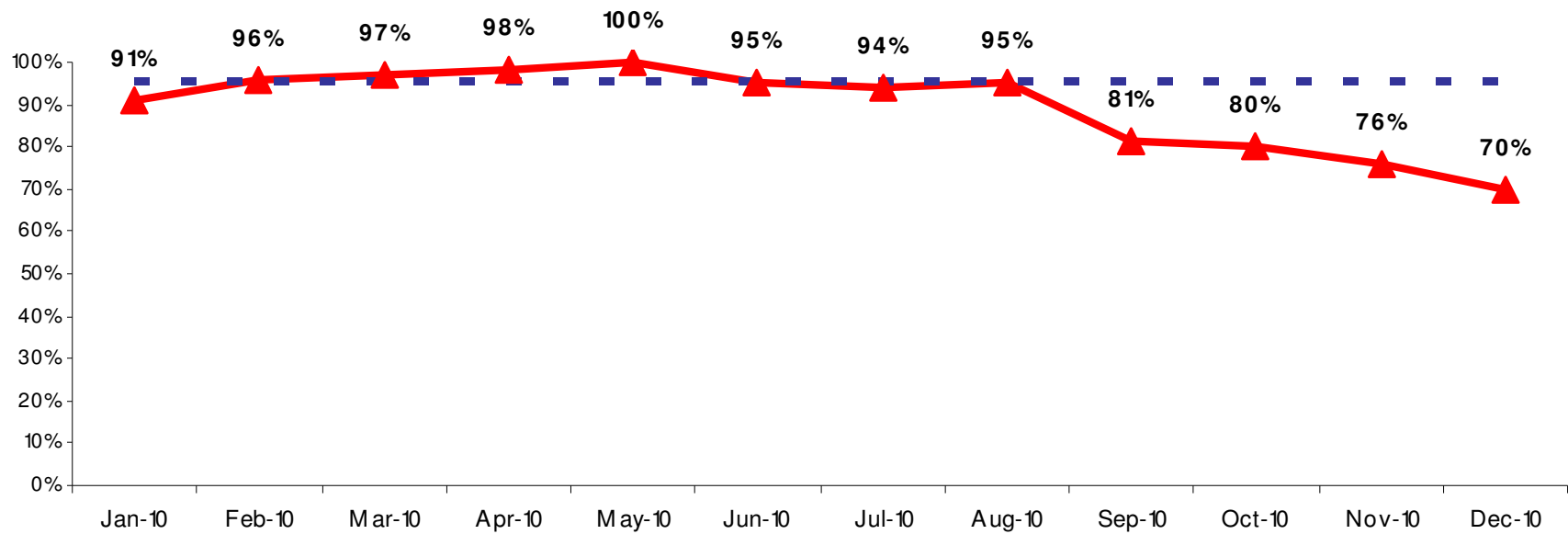
80% Service Standard





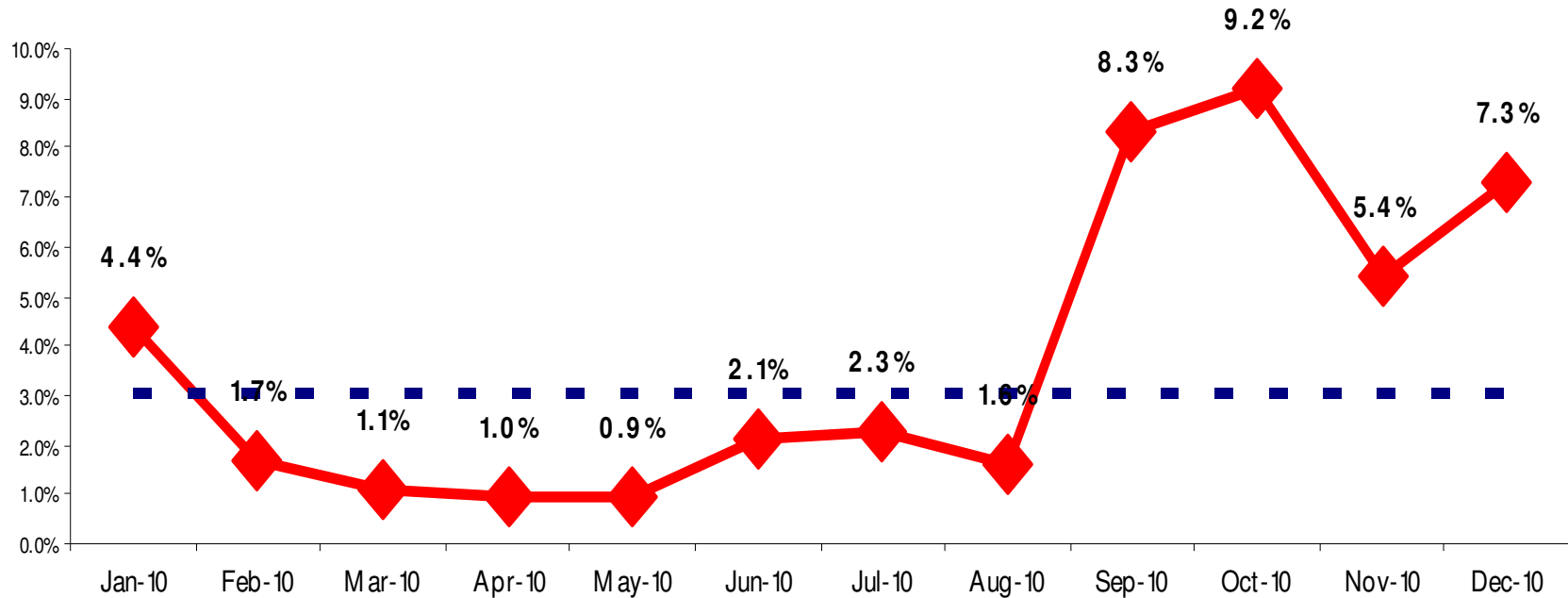
Customer Service Percentage of Calls Answered in 90 Seconds

95% Service Standard

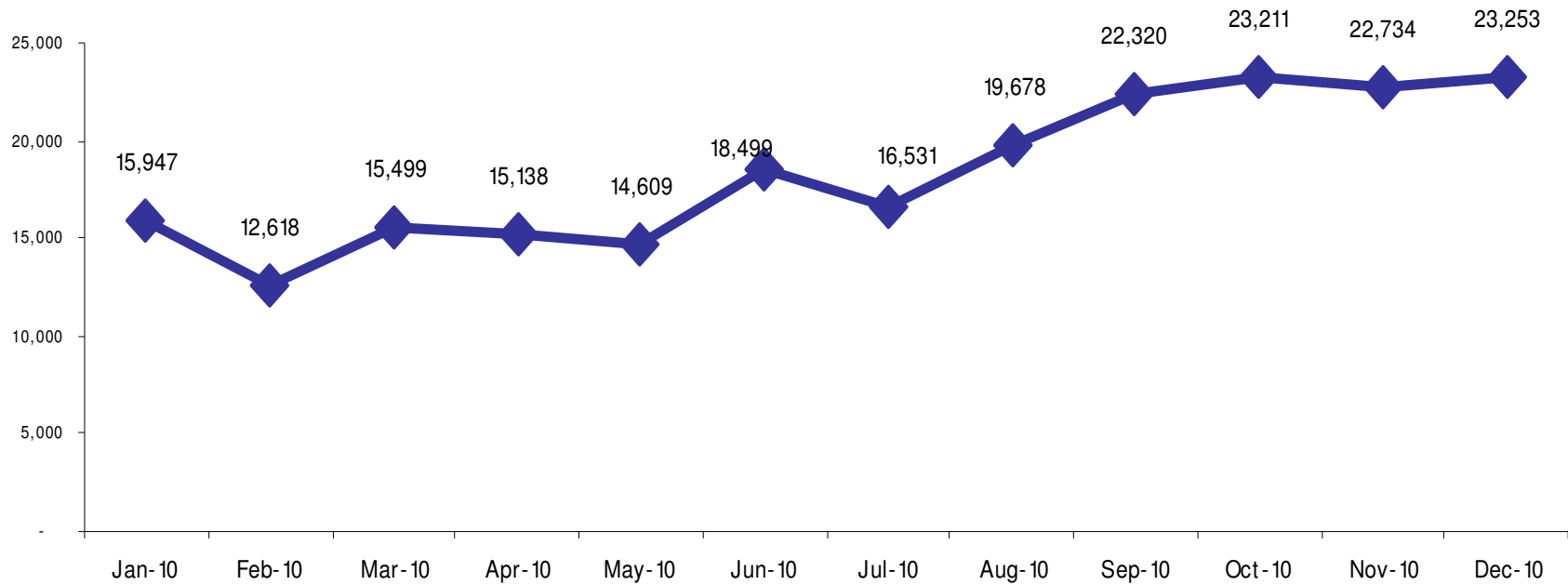


Customer Service Abandoned Call Percentage

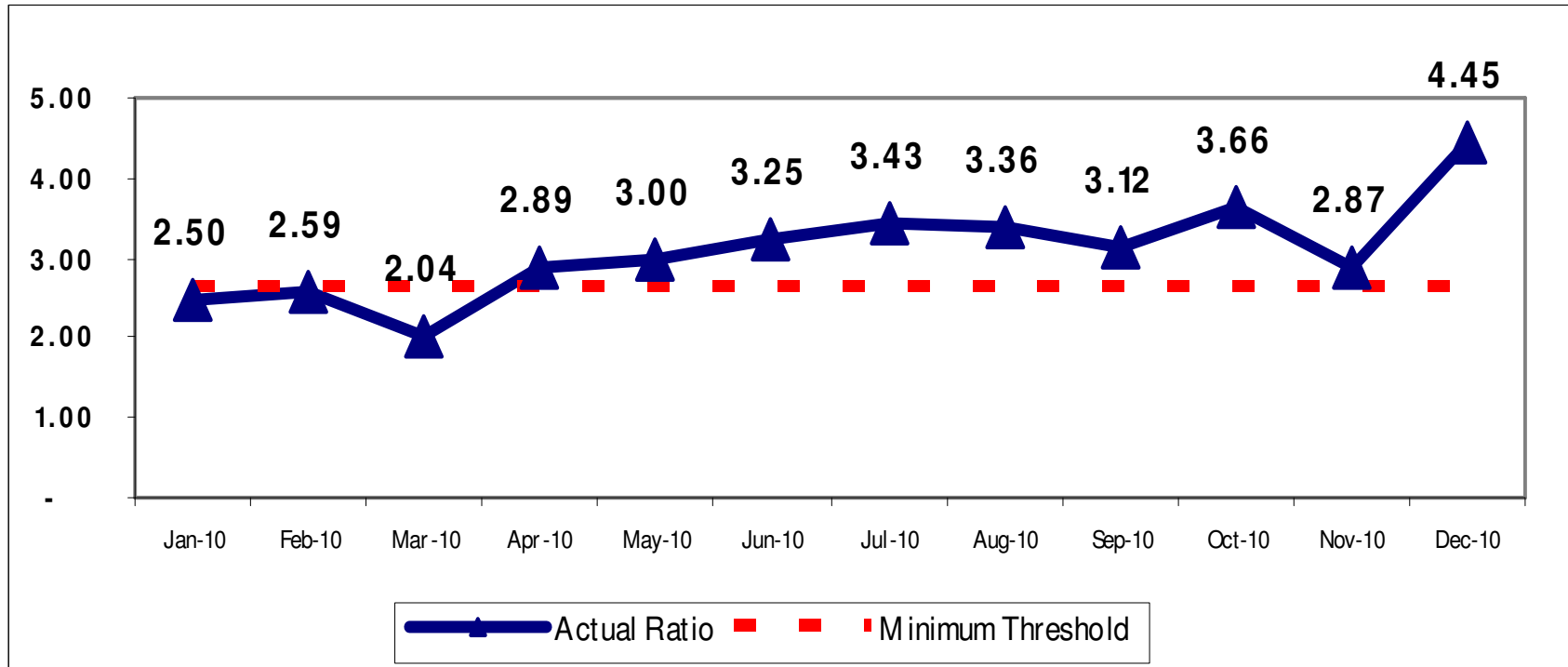
Service Standard 3%



Total Calls by Month



Transfer Station Public Yards to Ton Ratio



2010 LIQUIDATED DAMAGES



11.03, B.1a. Failure to commence service to a new recipient within 7 days

	JAN	FEB	MAR	Q1			Q2			Q3			Q4			2010 Total	Less:			Total LD
				Total	APR	MAY	JUN	Total	JUL	AUG	SEP	Total	OCT	NOV	DEC		Total	Annual Allowance	Net # of Incidents	
Atherton	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	(5)	\$ 150	\$ -
Belmont	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	(5)	\$ 150	\$ -
Burlingame	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	(5)	\$ 150	\$ -
East Palo Alto	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	(5)	\$ 150	\$ -
Fair Oaks/SMCo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	(5)	\$ 150	\$ -
Foster City	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	(5)	\$ 150	\$ -
Hillsborough	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	(5)	\$ 150	\$ -
Menlo Park	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	(5)	\$ 150	\$ -
Redwood City	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	(5)	\$ 150	\$ -
San Carlos	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	(5)	\$ 150	\$ -
San Mateo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	(5)	\$ 150	\$ -
West Bay	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	(5)	\$ 150	\$ -
Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	60	(60)		\$ -

11.03, B.1b. Missed Pickup Not Corrected in 24 Hours

	JAN	FEB	MAR	Q1			Q2			Q3			Q4			2010 Total	Less:			Total LD	
				Total	APR	MAY	JUN	Total	JUL	AUG	SEP	Total	OCT	NOV	DEC		Total	Annual Allowance	Net # of Incidents		LD per Incident
Atherton	-	-	-	-	-	-	-	-	5	-	5	-	-	4	4	9	15	(6)	\$ 150	\$ -	
Belmont	-	1	-	1	-	-	-	-	12	-	12	-	1	1	2	15	15	-	\$ 150	\$ -	
Burlingame	-	1	-	1	-	-	-	-	9	-	9	-	1	3	4	14	15	(1)	\$ 150	\$ -	
East Palo Alto	-	-	-	-	-	-	-	-	3	-	3	-	-	1	1	4	15	(11)	\$ 150	\$ -	
Fair Oaks/SMCo	-	-	-	-	-	-	-	-	4	-	4	-	-	-	-	4	15	(11)	\$ 150	\$ -	
Foster City	-	-	-	-	-	-	-	1	10	-	11	-	-	1	1	12	15	(3)	\$ 150	\$ -	
Hillsborough	-	-	-	-	-	-	-	-	10	-	10	-	1	3	4	14	15	(1)	\$ 150	\$ -	
Menlo Park	-	-	-	-	-	-	-	-	13	-	13	1	-	1	2	15	15	-	\$ 150	\$ -	
Redwood City	-	-	-	-	1	-	2	3	-	11	-	11	2	-	6	8	22	15	7	\$ 150	\$ 1,050
San Carlos	-	-	-	-	-	-	-	-	12	-	12	-	-	1	1	13	15	(2)	\$ 150	\$ -	
San Mateo	-	-	-	-	-	-	-	2	25	-	27	1	-	4	5	32	15	17	\$ 150	\$ 2,550	
West Bay	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15	(15)	\$ 150	\$ -	
Total	-	2	-	2	1	-	2	3	3	114	-	117	4	3	25	32	154	180	(26)	\$ 3,600	

11.03, B.1c. Consecutive Missed Pickups

	JAN	FEB	MAR	Q1			Q2			Q3			Q4			2010 Total	Less:			Total LD
				Total	APR	MAY	JUN	Total	JUL	AUG	SEP	Total	OCT	NOV	DEC		Total	Annual Allowance	Net # of Incidents	
Atherton	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 150	\$ -
Belmont	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 150	\$ -
Burlingame	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 150	\$ -
East Palo Alto	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 150	\$ -
Fair Oaks/SMCo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 150	\$ -
Foster City	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 150	\$ -
Hillsborough	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 150	\$ -
Menlo Park	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 150	\$ -
Redwood City	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 150	\$ -
San Carlos	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 150	\$ -
San Mateo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 150	\$ -
West Bay	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 150	\$ -
Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ -	\$ -

2010 LIQUIDATED DAMAGES



11.03, B.1d. Failure to properly conduct special collections

	Q1			Q2			Q3			Q4			2010 Total	Less:			Total LD			
	JAN	FEB	MAR	Total	APR	MAY	JUN	Total	JUL	AUG	SEP	Total		OCT	NOV	DEC		Total	Annual Allowance	Net # of Incidents
Atherton	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0		\$ 250	\$ -
Belmont	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0		\$ 250	\$ -
Burlingame	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0		\$ 250	\$ -
East Palo Alto	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0		\$ 250	\$ -
Fair Oaks/SMCo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0		\$ 250	\$ -
Foster City	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0		\$ 250	\$ -
Hillsborough	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0		\$ 250	\$ -
Menlo Park	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0		\$ 250	\$ -
Redwood City	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0		\$ 250	\$ -
San Carlos	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0		\$ 250	\$ -
San Mateo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0		\$ 250	\$ -
West Bay	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0		\$ 250	\$ -
Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0		\$ -	\$ -

11.03, B.1e. Failure to perform and submit billing reviews

	Q1			Q2			Q3			Q4			2010 Total	Less:			Total LD			
	JAN	FEB	MAR	Total	APR	MAY	JUN	Total	JUL	AUG	SEP	Total		OCT	NOV	DEC		Total	Annual Allowance	Net # of Incidents
Atherton	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0		\$ 250	\$ -
Belmont	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0		\$ 250	\$ -
Burlingame	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0		\$ 250	\$ -
East Palo Alto	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0		\$ 250	\$ -
Fair Oaks/SMCo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0		\$ 250	\$ -
Foster City	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0		\$ 250	\$ -
Hillsborough	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0		\$ 250	\$ -
Menlo Park	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0		\$ 250	\$ -
Redwood City	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0		\$ 250	\$ -
San Carlos	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0		\$ 250	\$ -
San Mateo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0		\$ 250	\$ -
West Bay	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0		\$ 250	\$ -
Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0		\$ -	\$ -

11.03, B.2a. For each occurrence of private property damage

	Q1			Q2			Q3			Q4			2010 Total	Less:			Total LD				
	JAN	FEB	MAR	Total	APR	MAY	JUN	Total	JUL	AUG	SEP	Total		OCT	NOV	DEC		Total	Annual Allowance	Net # of Incidents	LD per Incident
Atherton	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7	(7)	\$ 250	\$ -	
Belmont	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7	(7)	\$ 250	\$ -	
Burlingame	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7	(7)	\$ 250	\$ -	
East Palo Alto	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7	(7)	\$ 250	\$ -	
Fair Oaks/SMCo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7	(7)	\$ 250	\$ -	
Foster City	-	-	-	-	-	-	-	-	-	-	-	-	1	1	1	2	2	7	(5)	\$ 250	\$ -
Hillsborough	-	-	1	1	-	-	-	-	-	-	-	-	1	-	-	1	2	7	(5)	\$ 250	\$ -
Menlo Park	1	-	-	1	-	-	-	-	-	-	-	-	-	-	1	1	2	7	(5)	\$ 250	\$ -
Redwood City	1	-	-	1	-	-	-	1	1	1	2	-	1	-	1	4	7	(3)	\$ 250	\$ -	
San Carlos	-	-	-	-	-	1	1	1	1	1	3	-	2	-	2	6	7	(1)	\$ 250	\$ -	
San Mateo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7	(7)	\$ 250	\$ -	
West Bay	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7	(7)	\$ 250	\$ -	
Total	2	-	1	3	-	-	1	1	2	1	2	5	1	4	2	7	16	84	(68)	\$ -	

2010 LIQUIDATED DAMAGES



11.03, B.2b. For each occurrence of failure to properly return containers to the appropriate location

													Less:				2010 Total	Annual Allowance	Net # of Incidents	LD per Incident	Total LD
	JAN	FEB	MAR	Q1 Total	APR	MAY	JUN	Q2 Total	JUL	AUG	SEP	Q3 Total	OCT	NOV	DEC	Q4 Total					
Atherton	-	1	-	1	-	-	-	-	-	-	-	-	-	-	-	-	1	10	(9)	\$ 150	\$ -
Belmont	-	-	-	-	-	-	2	2	-	-	1	1	1	-	-	1	4	10	(6)	\$ 150	\$ -
Burlingame	2	-	2	4	-	-	-	-	2	-	-	2	1	-	-	1	7	10	(3)	\$ 150	\$ -
East Palo Alto	-	-	-	-	-	-	1	1	-	-	-	-	-	-	-	-	1	10	(9)	\$ 150	\$ -
Fair Oaks/SMCo	-	-	1	1	-	-	-	-	-	-	-	-	-	-	-	-	1	10	(9)	\$ 150	\$ -
Foster City	-	-	-	-	-	2	-	2	-	1	1	2	-	-	-	-	4	10	(6)	\$ 150	\$ -
Hillsborough	1	-	1	2	-	-	-	-	-	1	-	1	1	1	-	2	5	10	(5)	\$ 150	\$ -
Menlo Park	-	1	-	1	3	-	-	3	2	-	-	2	-	-	1	1	7	10	(3)	\$ 150	\$ -
Redwood City	-	2	3	5	5	1	2	8	-	-	1	1	1	-	-	1	15	10	5	\$ 150	\$ 750
San Carlos	-	1	1	2	2	-	-	2	-	-	-	-	-	2	-	2	6	10	(4)	\$ 150	\$ -
San Mateo	-	-	-	-	1	3	4	8	1	-	3	4	1	-	1	2	14	10	4	\$ 150	\$ 600
West Bay	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10	(10)	\$ 150	\$ -
Total	3	5	8	16	11	6	9	26	5	2	6	13	5	3	2	10	65	120	(55)		\$ 1,350

11.03, B.2c. For each occurrence of excessive noise or discourteous behavior

													Less:				2010 Total	Annual Allowance	Net # of Incidents	LD per Incident	Total LD
	JAN	FEB	MAR	Q1 Total	APR	MAY	JUN	Q2 Total	JUL	AUG	SEP	Q3 Total	OCT	NOV	DEC	Q4 Total					
Atherton	-	-	-	-	-	1	-	1	-	-	-	-	-	-	-	-	1	0	1	\$ 250	\$ 250
Belmont	-	-	-	-	-	-	-	-	1	-	-	1	-	-	-	-	1	0	1	\$ 250	\$ 250
Burlingame	-	-	-	-	-	-	-	-	-	-	1	1	-	-	1	1	2	0	2	\$ 250	\$ 500
East Palo Alto	-	-	-	-	-	-	-	-	-	1	-	1	-	-	-	-	1	0	1	\$ 250	\$ 250
Fair Oaks/SMCo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 250	\$ -
Foster City	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 250	\$ -
Hillsborough	-	-	-	-	1	-	-	1	-	-	-	-	-	-	-	-	1	0	1	\$ 250	\$ 250
Menlo Park	-	-	-	-	-	-	-	-	-	-	1	1	-	-	-	-	1	0	1	\$ 250	\$ 250
Redwood City	1	-	-	1	1	-	2	3	-	-	1	1	1	1	1	3	8	0	8	\$ 250	\$ 2,000
San Carlos	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 250	\$ -
San Mateo	1	-	-	1	-	1	1	2	-	-	-	-	-	1	1	2	5	0	5	\$ 250	\$ 1,250
West Bay	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 250	\$ -
Total	2	-	-	2	2	2	3	7	1	1	3	5	1	2	3	6	20	0	20		\$ 5,000

11.03, B.2d. For each failure to clean up solid waste spilled by the Contractor

													Less:				2010 Total	Annual Allowance	Net # of Incidents	LD per Incident	Total LD
	JAN	FEB	MAR	Q1 Total	APR	MAY	JUN	Q2 Total	JUL	AUG	SEP	Q3 Total	OCT	NOV	DEC	Q4 Total					
Atherton	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15	(15)	\$ 150	\$ -
Belmont	-	2	1	3	-	1	-	1	-	1	1	2	-	-	-	-	6	15	(9)	\$ 150	\$ -
Burlingame	-	-	2	2	-	-	1	1	-	-	1	1	-	-	1	1	5	15	(10)	\$ 150	\$ -
East Palo Alto	1	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	1	15	(14)	\$ 150	\$ -
Fair Oaks/SMCo	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	1	1	15	(14)	\$ 150	\$ -
Foster City	1	1	-	2	1	1	-	2	-	-	-	-	-	2	-	2	6	15	(9)	\$ 150	\$ -
Hillsborough	-	-	-	-	-	1	-	1	-	-	-	-	-	-	-	-	1	15	(14)	\$ 150	\$ -
Menlo Park	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	1	1	15	(14)	\$ 150	\$ -
Redwood City	3	1	4	8	1	-	1	2	-	-	-	-	-	1	1	2	12	15	(3)	\$ 150	\$ -
San Carlos	-	2	-	2	-	1	1	2	-	-	-	-	2	1	-	3	7	15	(8)	\$ 150	\$ -
San Mateo	-	-	1	1	-	-	-	-	-	-	-	-	2	1	-	3	4	15	(11)	\$ 150	\$ -
West Bay	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15	(15)	\$ 150	\$ -
Total	5	6	8	19	2	4	3	9	-	1	2	3	4	7	2	13	44	180	(136)		\$ -

2010 LIQUIDATED DAMAGES



11.03, B.2e. For each occurrence of collection of solid waste materials during unauthorized hours

													Less:				2010 Total	Annual Allowance	Net # of Incidents	LD per Incident	Total LD	
	JAN	FEB	MAR	Q1 Total	APR	MAY	JUN	Q2 Total	JUL	AUG	SEP	Q3 Total	OCT	NOV	DEC	Q4 Total						
Atherton	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10	(10)	\$ 250	\$ -	
Belmont	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10	(10)	\$ 250	\$ -	
Burlingame	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10	(10)	\$ 250	\$ -	
East Palo Alto	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10	(10)	\$ 250	\$ -	
Fair Oaks/SMCo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10	(10)	\$ 250	\$ -	
Foster City	-	-	-	-	1	-	-	1	-	-	-	-	-	-	-	-	-	1	10	(9)	\$ 250	\$ -
Hillsborough	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10	(10)	\$ 250	\$ -	
Menlo Park	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10	(10)	\$ 250	\$ -	
Redwood City	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10	(10)	\$ 250	\$ -	
San Carlos	-	-	1	1	-	-	-	-	-	-	-	-	-	-	-	-	-	1	10	(9)	\$ 250	\$ -
San Mateo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10	(10)	\$ 250	\$ -	
West Bay	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10	(10)	\$ 250	\$ -	
	-	-	1	1	1	-	-	1	-	-	-	-	-	-	-	-	-	2	120	(118)	\$ -	

11.03, B.3a. For each failure to initially respond to a service recipient complaint within one business day

													Less:				2010 Total	Annual Allowance	Net # of Incidents	LD per Incident	Total LD
	JAN	FEB	MAR	Q1 Total	APR	MAY	JUN	Q2 Total	JUL	AUG	SEP	Q3 Total	OCT	NOV	DEC	Q4 Total					
Atherton	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 100	\$ -
Belmont	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 100	\$ -
Burlingame	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 100	\$ -
East Palo Alto	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 100	\$ -
Fair Oaks/SMCo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 100	\$ -
Foster City	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 100	\$ -
Hillsborough	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 100	\$ -
Menlo Park	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 100	\$ -
Redwood City	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 100	\$ -
San Carlos	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 100	\$ -
San Mateo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 100	\$ -
West Bay	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 100	\$ -

11.03, B.3b. For each failure to process service recipient complaints to Agency

													Less:				2010 Total	Annual Allowance	Net # of Incidents	LD per Incident	Total LD
	JAN	FEB	MAR	Q1 Total	APR	MAY	JUN	Q2 Total	JUL	AUG	SEP	Q3 Total	OCT	NOV	DEC	Q4 Total					
Atherton	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 100	\$ -
Belmont	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 100	\$ -
Burlingame	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 100	\$ -
East Palo Alto	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 100	\$ -
Fair Oaks/SMCo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 100	\$ -
Foster City	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 100	\$ -
Hillsborough	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 100	\$ -
Menlo Park	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 100	\$ -
Redwood City	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 100	\$ -
San Carlos	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 100	\$ -
San Mateo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 100	\$ -
West Bay	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	\$ 100	\$ -

				43				47										68	301		\$ 9,950
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